



## Commonwealth of Kentucky Public Protection Cabinet

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**FOR IMMEDIATE RELEASE**

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### **Frankfort Seniors Get Information at Scam Jam**

**FRANKFORT, Ky. – (Sept. 5, 2012)** – About 70 seniors from 10 counties around Frankfort learned how to recognize and avoid investment fraud at a Senior Scam Jam seminar today.

The Senior Scam Jam is designed to raise awareness about the techniques con artists use, so seniors can recognize the tactics and protect themselves from fraud. During the first half of the program, participants chose two of three workshops covering mail fraud (presented by the U.S. Postal Inspection Service), insurance fraud (presented by the Department of Insurance) and loan fraud (presented by the Department of Financial Institutions, or DFI). In the afternoon, the entire group heard presentations covering investment fraud (DFI and AARP) and identity theft (Kentucky Attorney General's Office). All participants received free handouts and materials, including a contact sheet so seniors would know who to call with questions.

"Since 2003, statistics show that Americans lose an estimated \$300-600 billion each year to fraud," said DFI Commissioner Charles Vice. "We hope to prevent future scams from taking place by helping seniors identify red flags and find out where to get help."

Participants learned to recognize these common "red flags" of fraud:

- Special guarantees
- Promises of no risk with high rewards/returns
- Offers for a "limited time" only
- Offers for YOU only
- Pressure by the salesperson to give an immediate response
- "Cash only" accepted
- Promises to get you the paperwork "later"
- The company or a representative cannot be reached if you have questions
- The offer sounds too good to be true

The following are some steps seniors learned to take to avoid falling victim to fraud:

- Take your time
- Do your homework before signing any contract or paperwork
- Read the fine print
- Check out the source
- Be skeptical of unsolicited calls
- Have a plan to get off the phone
- Have a "buddy" to help get you out of a situation where you feel pressured
- Don't trust testimonials

According to AARP Executive Council Volunteer Bill Harned, "When seniors leave our Scam Jams, they are better prepared to protect themselves from con artists who prey on older, vulnerable adults. Educating consumers about today's frauds and scams is the best prevention."

On the evaluation forms, attendees rated the overall program very highly, and many commented that they appreciated the resources and contact information to take home.

"I'm always looking for additional ways to be an informed consumer," wrote a participant from Jefferson County. "The sessions presented very current, important information."

"All the topics are timely and we need to be aware," wrote another from Anderson County. "The handout information is helpful."

Before investing, check with DFI, Kentucky's state securities regulator, to verify if the investment opportunity is registered and if the seller is licensed. Call 800-223-2579 or visit <http://kfi.ky.gov/public/Pages/invest.aspx>.

The Senior Scam Jam is funded by a grant from the Investor Protection Trust (IPT). The IPT is a nonprofit organization devoted to investor education. Since 1993, the IPT has worked with the states to provide the independent, objective investor education needed by all Americans to make informed investment decisions. [www.investorprotection.org](http://www.investorprotection.org)

DFI, which traces its origin to the Banking Act of 1912, is an agency in the Public Protection Cabinet. For 100 years it has supervised the financial services industry by examining, chartering, licensing and registering various financial institutions, securities firms and professionals operating in Kentucky. DFI's mission is to serve Kentucky residents and protect their financial interests by maintaining a stable financial industry, continuing effective and efficient regulatory oversight, promoting consumer confidence, and encouraging economic opportunities. DFI is committed to providing financial education and promoting awareness about the importance of saving, investing and making wise personal financial decisions.

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